

## SENATE BILL No. 107

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** P.L.291-2001, SECTION 81.

**Synopsis:** Prescription drug advisory committee. Extends expiration date of the prescription drug advisory committee to December 31, 2004. Extends the date for the committee to make prescription drug program design recommendations to the governor and the family and social services administration to December 31, 2004.

**Effective:** December 30, 2001 (retroactive).

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**Riegsecker**

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December 7, 2001, read first time and referred to Committee on Rules and Legislative Procedure.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## SENATE BILL No. 107

A BILL FOR AN ACT concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. P.L.291-2001, SECTION 81, IS AMENDED TO  
2       READ AS FOLLOWS [EFFECTIVE DECEMBER 30, 2001  
3       (RETROACTIVE)]: SECTION 81. (a) The Indiana prescription drug  
4       advisory committee is established to:

5               (1) study pharmacy benefit programs and proposals, including  
6               programs and proposals in other states; and

7               (2) make initial and ongoing recommendations to the governor for  
8               programs that address the pharmaceutical costs of low-income  
9               senior citizens.

10       (b) The committee consists of eleven (11) members appointed by  
11       the governor and four (4) legislative members. The term of each  
12       member expires December 31, ~~2001~~. **2004**. The members of the  
13       committee appointed by the governor are as follows:

14               (1) A physician with a specialty in geriatrics.

15               (2) A pharmacist.

16               (3) A person with expertise in health plan administration.

17               (4) A representative of an area agency on aging.



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(5) A consumer representative from a senior citizen advocacy organization.

(6) A person with expertise in and knowledge of the federal Medicare program.

(7) A health care economist.

(8) A person representing a pharmaceutical research and manufacturing association.

(9) Three (3) other members as appointed by the governor.

The four (4) legislative members shall serve as nonvoting members. The speaker of the house of representatives and the president pro tempore of the senate shall each appoint two (2) legislative members, who may not be from the same political party, to serve on the committee.

(c) The governor shall designate a member to serve as chairperson. A vacancy with respect to a member shall be filled in the same manner as the original appointment. Each member is entitled to reimbursement for traveling expenses and other expenses actually incurred in connection with the member's duties. The expenses of the committee shall be paid from the Indiana prescription drug account created by IC 4-12-8, as added by this act. The office of the secretary of family and social services shall provide staff for the committee. The committee is a public agency for purposes of IC 5-14-1.5 and IC 5-14-3. The ~~advisory council~~ **committee** is a governing body for purposes of IC 5-14-1.5.

(d) Not later than September 1, ~~2000~~, **2004**, the ~~board~~ **committee** shall make program design recommendations to the governor and the family and social services administration concerning the following:

(1) Eligibility criteria, including the desirability of incorporating an income factor based on the federal poverty level.

(2) Benefit structure.

(3) Cost-sharing requirements, including whether the program should include a requirement for copayments or premium payments.

(4) Marketing and outreach strategies.

(5) Administrative structure and delivery systems.

(6) Evaluation.

(e) The recommendations shall address the following:

(1) Cost-effectiveness of program design.

(2) Coordination with existing pharmaceutical assistance programs.

(3) Strategies to minimize crowd-out of private insurance.

(4) Reasonable balance between maximum eligibility levels and

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- 1 maximum benefit levels.
- 2 (5) Feasibility of a health care subsidy program where the amount
- 3 of the subsidy is based on income.
- 4 (6) Advisability of entering into contracts with health insurance
- 5 companies to administer the program.
- 6 (f) The committee may not recommend the use of funds from the
- 7 Indiana prescription drug account for a state prescription drug benefit
- 8 for low-income senior citizens if there is a federal statute or program
- 9 providing a similar prescription drug benefit for the benefit of
- 10 low-income senior citizens.
- 11 (g) This SECTION expires December 31, ~~2001~~ 2004.
- 12 SECTION 2. **An emergency is declared for this act.**

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